

5101510074
cc: Wayne
Task 3858

November 1, 2010

Minerals Program
Division of Oil, Gas, and Mining
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84114-5801

RECEIVED
NOV 10 2010
DIV. OF OIL, GAS & MINING

RE: Submittal to Replace Existing Mining Plan for the Number 1 Clark Mine, M/015/074, Emery County, Utah

Robert Clark, owner and operator of the Number 1 Clark Mine (permittee), hereby submits a newly devised operation plan and application package to replace the existing plan that was approved in 1997. The new plan intends to utilize highwall mining methods to mine humate from the State lease property. Mr. Clark is leasee to the State Lease ML - 43181 and retains the rights to mine on this property.

As it is the intent to now conduct highwall mining operations from this lease, the Number 1 Clark Mine maintains or claims no reclamation responsibility to the abandoned Cowboy Mine, its adits, roads, coal piles, waste piles, or any other part of this mine site. Only those areas disturbed by this operation will be reclaimed by the Number 1 Clark Mine.

The complete application contains a revised notice of intent to commence small mining operations (MR-SMO). Attached to the MR-SMO are a location map, surface facility map, and an operation plan.

Form MR-REV is included with this submittal to provide assistance in placement of the approved permit information. Once the NOI application is approved, Form MR-RC will be included for signatory provisions of the bonding agreement. If you have any questions or concerns regarding this submittal, please contact me at 801-466-6432.

Sincerely,



Robert Clark
Owner and Operator of Number 1 Clark Mine

Enclosures Form MR-SMO
 MR-REV
 Operation Plan
 Location Map
 Surface Facility Map

Cc HydroSpec, c/o Dennis Oakley

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Application for Mineral Mine Plan Revision or Amendment

Operator: Robert Clark			
Mine Name: Number 1 Clark Mine		File Number: M/ 015 /074	
Provide a detailed listing of all changes to the mining and reclamation plan that will be required as a result of this change. Individually list all maps and drawings that are to be added, replaced, or removed from the plan. Include changes of the table of contents, section of the plan, pages, or other information as needed to specifically locate, identify and revise or amend the existing Mining and Reclamation Plan. Include page, section and drawing numbers as part of the description.			
DETAILED SCHEDULE OF CHANGES TO THE MINING AND RECLAMATION PLAN			
			DESCRIPTION OF MAP, TEXT, OR MATERIALS TO BE CHANGED
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Replace Existing Permit Application with Attached Submittal dated October 2010.
<input type="checkbox"/> ADD	<input type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	
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I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to commitments and obligations, herein.

Robert Clark
Print Name

Robert Clark owner
Sign Name, Position
Date 11/5/10

Return to:

State of Utah
Department of Natural Resources
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
Phone: (801) 538-5291 Fax: (801) 359-3940

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FOR DOGM USE ONLY:	
File #:	M/ /
Approved:	
Bond Adjustment: from (\$)	
to \$	

Assigned DOGM File No.: S
DOGM Lead: _____
Permit Fee \$ _____ Ck # _____

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 West North Temple Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
Telephone: (801) 538-5291 Fax: (801) 359-3940

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NOTICE OF INTENTION TO COMMENCE SMALL MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1987, and the General Rules as promulgated under the Utah Minerals Regulatory Program.

Note on confidentiality: Information provided in the notice of intention relating to the location, size, or nature of the mineral deposit that is clearly marked confidential will be protected as confidential. Each page or map requested to be kept confidential must be stamped or marked as such. The requested confidential information must describe how the confidential material relates to the location size or nature of the mineral deposit; provide a written claim of business confidentiality; and/or include a concise statement of reasons supporting the claim of business confidentiality, unless disclosing the location of explosives or historic, prehistoric, paleontological, or biological resource that must be considered confidential under statute.

"Small Mining Operations" mining operations which have a disturbed area of five or less surface acres at any time.

I. GENERAL INFORMATION (Rule R647-3-104)

1. Name of Mine: Number 1 Clark Mine
2. Legal name of entity (or individual) for whom the permit is being requested: _____
Robert L. and Julie B. Clark
Mailing Address: 1758 East 900 South
City, State, Zip: Salt Lake City, Utah 84105
Phone: 801-466-6432 Fax: _____
E-mail Address: _____

Type of Business: Corporation () LLC () Sole Proprietorship (dba) ()
Partnership () General _____ or _____ limited
Or:
Individual (X)

Entity must be registered (and maintain registration) with the State of Utah, Division of Corporations (DOC) www.commerce.utah.gov.

Are you currently registered to do business in the State of Utah? ☒ Yes ☐ No
Entity # _____

If no, contact www.commerce.utah.gov to renew or apply.

Local Business License # _____ (if required)
Issued by: County _____ or City _____

3. **Contact Person(s)**

Name: Robert Clark Title: Owner
Address: 1758 South 900 East
City, State, Zip: Salt Lake City, Utah 84105
Phone: 801-466-6432 Fax: _____
Emergency, Weekend, or Holiday Phone: _____
E-mail Address: _____

Contact person to be notified for: permitting (x) surety (x) Notices (x) (please check all that apply)

Name: Dennis Oakley Title: Contractor
Address: 360 East 2460 South
City, State, Zip: Price, Utah 84501
Phone: 435-650-9233 Fax: _____
Emergency, Weekend, or Holiday Phone: _____
E-mail Address: HydroSpec@etv.net

Contact person to be notified for: permitting (x) surety () Notices (x) (please check all that apply)

Registered Utah Agent (as identified with the Utah Department of Commerce) (if individual leave blank):

Name: _____
Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
E-mail Address: _____

4. **If Business is a Sole Proprietor:**

Name of Owner: _____ Title: _____
Business Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
E-mail Address: _____

If Business is a Corporation:

Name of Officers: _____ Title: _____
_____ Title: _____
_____ Title: _____
_____ Title: _____
Headquarters Address: _____
City, State, Zip: _____
Headquarters Phone: _____ Fax: _____
E-mail Address: _____

If Business is a Limited Liability Company: Member Managed G Manager Managed G

Name of 1st Member/Manager: _____ Title: _____
Business Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
E-mail Address: _____

Name of 2nd Member/Manager: _____
Business Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
E-mail Address: _____

If Business is a Partnership:

Name of Partner: _____
Business Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
E-mail Address: _____

5. **Ownership of Land Surface:**

Private (Fee) () Public Domain (BLM) () National Forest (USFS) ()
State Trust Land/School Sections ☒ State Sovereign Lands ()
Other (please describe): _____

Name _____ Address _____

Name _____ Address _____

Name _____ Address _____

Name _____ Address _____

6. **Ownership of Minerals:**

Private (Fee) () Public Domain (BLM) () National Forest (USFS) ()
State Trust Land/School Sections ☒ State Sovereign Lands ()
Other (please describe): _____

Name _____ Address _____

Name _____ Address _____

Name _____ Address _____

Name _____ Address _____

BLM Lease or Project File Number(s) and/or USFS assigned Project Number(s): _____

BLM Claim Numbers _____

Utah State Lease Number(s): 43181

Name of Lessee(s) Robert L. Clark and Julie B. Clark

7. **Have the above surface and mineral owners been notified in writing?**

Yes ☒ No _____

If no, why not? _____

*Please be advised that if State Trust Lands are involved, notification to the Division of Oil, Gas and Mining alone does not satisfy the notification requirements of Mineral Leases upon State Trust Lands. Exploration or mining activity on State Trust Lands requires a minimum of 60 days notice to the Trust Lands Administration **prior** to commencing any activities. Please contact the School Institutional Trust Lands Administration (SITLA) at (801) 538-5508 for notification requirements.*

8. **Does the Entity have legal right to enter** and conduct mining operations on the land covered by this notice? Yes ☒ No _____

II. **PROJECT LOCATION & MAP** (Rule R647-3-105)

1. **Project Location & Map** (legal description):

County(ies): Emery

NW 1/4, of NW 1/4, of _____ 1/4: Section: 2 Township: 23S Range: 6E
SW 1/4, of NW 1/4, of _____ 1/4: Section: 2 Township: 23S Range: 6E
_____ 1/4, of _____ 1/4, of _____ 1/4: Section: _____ Township: _____ Range: _____

UTM East _____ (if known) UTM North _____ (If known)

Name of Quad Map for Location: Mesa Butte 7.5 Minute Quad

2. **Location and Operations maps** must be plotted at a scale to accurately identify locational landmarks and operations details. All maps must include a north arrow, scale, appropriate labels, and title box including the mine name, township, range and section.

a. The **general location map** must be the scale of a USGS 7.5 minute series map or equivalent (1"=2000') and identify new or existing access roads.

b. The **operations map** (1"=200' or other scale as determined necessary by the Division) must be labeled and identify:

i. The area to be disturbed;

ii. The location of any existing or proposed operations including access roads, drill holes, trenches, pits, shafts, cuts, or other planned activities; and

iii. Any adjacent previous disturbance for which the operator is not responsible.

(Contact the Division for a list of consultants and land surveyors for mapping assistance.)

3. The proposed (5 acre or less) disturbed area (including access/haul roads) should be marked in the field ON THE GROUND with metal T-Posts (or with some other marker of equal effectiveness). Markers should be appropriately spaced so that the next marker in either direction is clearly visible with the naked eye.

III. **OPERATION PLAN** (Rule R647-3-106)

1. **Type of mining:** Surface ☒ Underground ☐

2. **Mineral(s) to be mined:** Humic Shale

3. **Amount of material** to be extracted, moved, or proposed to be moved: _____
Amount depends on amount found at site. Expecting >500 tons.

4. Will any **water, liquid chemicals, reagents, or other solutions** be used, produced or discharged as part of the mining or milling process?

Yes ☐ No ☒ If yes, please describe (add extra pages if needed) _____

5. Provide a brief **description of the proposed mining operation** and onsite processing facilities (add extra pages if necessary). See Attached Operation Plan
- _____
- _____
- _____
- _____

6. ☐ **New Road(s):** Length _____ (ft) Width _____ (ft)

7. ☒ **Improved Road(s):** Provide a description of the improvements that need to be made to existing roads to access the site, including the Length 1047 (ft) and Width 30 (ft) of new disturbances.

Existing road within lease area to be improve for truck travel.
Only light grading will be conducted to improve travelways.

8. Total project surface **acreage to be disturbed:** 1.9 (acres) PLEASE SPECIFY EXACT ACREAGE - (this will be used to determine surety bond amount – see #VI).

9. Proposed **startup date** (month, year) November 2010

10. Proposed **completion date**, if known (month, year) Not known at this time.

IV. **OPERATION AND RECLAMATION PRACTICES** (Rule R647-3-107, 108 & 109)

The reclamation and operation obligation is to keep the area clean and safe, minimize hazards to public safety, return the land to a useful condition, and reestablish at least 70 percent of the premining vegetative ground cover or within practical limits. To accomplish this, the Permittee / Operator will need to perform reclamation concurrently, or at the completion (within one (1) year) of mining. Please refer to The Practical Guide to Reclamation in Utah, available at https://fs.ogm.utah.gov/pub/MINES/Coal_Related/RecMan/Reclamation_Manual.pdf.

1. *Keep the mining operation in a safe, clean, and environmentally stable condition.*
2. *Permanently seal all shafts and tunnels to prevent unauthorized or accidental entry.*
3. *Plug drill holes with a five foot cement surface plug. Holes that encounter fluids are to be plugged in the subsurface to prevent aquifer contamination.*
4. *Construct berms, fences, or barriers, when needed, above highwalls and excavations.*
5. *Remove, isolate, or neutralize all toxic materials in a manner compatible with federal and state regulations.*
6. *Remove all waste or debris from stream channels.*
7. *Dispose of any trash, scrap metal, wood, machinery, and buildings.*
8. *Conduct mining activities so as to minimize erosion and control sediment.*
9. *Reclaim all roads that are not part of a permanent transportation system.*
10. *Stockpile topsoil and suitable overburden prior to mining.*

11. Stabilize highwalls by backfilling or rounding to 45 degrees or less, where feasible; reshape the land to near its original contour, and redistribute the topsoil and suitable overburden.
12. Properly prepare seedbed to a depth of six inches by pocking, ripping, discing, or harrowing. Leave the surface rough.
13. Reseed disturbed areas with adaptable species. (The Division recommends a mixture of species of grass, forb, and browse seed, and will provide a specific species list if requested.)
14. Plant the seed with a rangeland or farm drill, or broadcast the seed. Fall is the preferred time to seed.

V. VARIANCE REQUEST (Rule R647-3-110)

Any variance request must be approved in writing by the Division

Any planned deviations from Rules R647-3-107, Operation Practices, R647-3-108, Hole Plugging Requirements, or R647-3-109, Reclamation Practices, as summarized above (see IV. Operation and Reclamation Practices Item # 1-14), should be identified below listing applicable rule number. Give justification for the variance(s) and alternate methods or measure to be utilized. Written approval from the Division will be given, if the proposed alternative methods to be used are consistent with the Act.

Are variances being requested? Yes ☐ No ☒

1st Variance Requested

Item # _____ Applicable Rule # (i.e. R647-3-109.10 (if you did not want trenches & pits reclaimed)

Justification: _____

Alternate methods or measure to be utilized: _____

2nd Variance Requested

Item # _____ Applicable Rule # _____

Justification: _____

Alternate methods or measure to be utilized: _____

3rd Variance Requested

Item # _____ Applicable Rule # _____

Justification: _____

Alternate methods or measure to be utilized: _____

Attach additional page if more variances are requested.

VI. SURETY (Utah Code Ann. §40-8-7(1)[c])

A reclamation contract and surety must be provided to and approved by the Division prior to commencement of operations. No surface disturbance is authorized until the surety is posted and approved in writing. The surety may be provided in the form of a certificate of deposit, a letter of credit, a surety bond, or cash. Please contact the Division for further information about submitting the surety. All mining operations are required to furnish and maintain reclamation surety to guarantee that the land affected is reclaimed (Utah Code Ann. §40-8-7(1)[c]).

The reclamation surety amount is based on the nature, extent and duration of operations. The amounts are based on data from current large mine surety and are used as a general guide, along with actual site conditions. Reclamation surety for small mines is reviewed every three (3) or five (5) years and adjusted as necessary for inflation/deflation based upon acceptable Costs Index. **Contact the Division for the dollar amount required for a three (3) or five (5) year period for this project.**

VII. PERMIT FEE (Utah Code Ann. §40-8-7(1)(i))

A permittee's authorization under a notice of intention to conduct small mining operations shall require the paying of permit fees as authorized by the Utah Legislature (R647-3-102.5). Permit fees are assessed to new and existing small mining operations, and annually thereafter, until the project disturbances are successfully reclaimed by the Permittee / Operator and released by the Division.

Small Mine Notices require a \$150.00 fee, which must accompany this application, or the Division cannot process it.

VIII. SIGNATURE REQUIREMENT

CERTIFICATION

I state under penalty of perjury under the laws of the state of Utah and the United States of America that:

- a. I have read this form and declare the information, statements and/or documentation are true, correct and complete to the best of my knowledge and belief; AND
- b. I commit to the reclamation of the aforementioned small mining project as required by the Utah Mined Land Reclamation Act (40-8) and the rules as specified by the Board of Oil, Gas and Mining.
- c. **This certification must be signed by:** (1.) an executive officer if the applicant is a corporation; (2.) a partner if applicant is a partnership (general or limited); (3.) the owner if applicant is a sole proprietorship; **or** (4.) the member or manager if applicant is a limited liability company.

Signature: Robert Clark Date: 11/5/10

Name (typed or printed): Bob Clark

Title/Position (if applicable): Owner

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NUMBER 1 CLARK MINE

Operation Plan

This section contains a narrative explaining the operations at the Number 1 Clark Mine site. A permit for this mine site (S/015/0074) was awarded in 1997 for underground operations at the old Cowboy Mine. Those operations never materialized, and therefore, the applicant is submitting a new plan of operations for this site.

Mine Type and Existing Operations

Robert L. and Julie B. Clark are joint owners and operators the Number 1 Clark Mine. Together, they are the Lessee to approximately 200 acres of State land in Emery County. Robert and Julie Clark were granted lease (ML-43181) by State and Institutional Trust Lands Administration (SITLA) for the purposes of mining the mineral known as humate or humic shale.

In 1997, the Clarks were awarded a small operations mining permit by the Utah Division of Oil, Gas, and Mining. This permit allowed underground mining from the nearby Cowboy Mine. Mining operations intended to utilize the four existing old adits from this mine to access the mineral reserve. However, no work was ever conducted at this mine site with the exception of very minor grading of the access road to the mine adits.

Existing disturbances at the old Cowboy Mine site includes four open adits, roadways, large coal refuse piles, red dog areas, an old foundation, an old water retention dike, and loose coal that has been strewn about the general area. Pictures of this existing disturbance are on file at the UDOGM office. These facilities will not be utilized for the operations of the Number 1 Clark Mine. The Number 1 Clark Mine does not intend to assume any reclamation obligations for the abandoned Cowboy Mine site. If the Division of Abandoned Mined Lands wishes to reclaim this site, the Number 1 Clark Mine will coordinate their operations with AML's reclamation operations.

NUMBER 1 CLARK MINE

Mine Operations

Humate is a weathered coal or carbonaceous mudstone or shale that contains large amounts of humic acid. Humic acids are mixtures of colloidal organic molecules, with molecular weights between 5,000 and 50,000 grams that result from decay of organic matter (Gloyn et al, 2003; Siemers and Waddell, 1977). A nearby mine; the Rockland Mine, mines humate from the Upper Cretaceous Ferron Sandstone Member of the Mancos Shale. The humic shale is processed and used primarily for soil amendments for agriculture. Other processing techniques might use the humate for a nutritional supplement for human consumption (UGS Bulletin #132, 2003).

Abundant humate occurs in coal of the Ferron Sandstone. The Number 1 Clark Mine intends to mine this mineral product from outcropping deposits. Overburden consists primarily of alternating thick to massive beds of tan, yellow-gray, mostly medium-grained sandstone, shaley sandstone of the same color, and shale. The shales are clayey, silty and carbonaceous (H.H. Doelling, 1972). The thickness of the overburden at the Number 1 Clark Mine varies between three (3) to eight (8) feet.

Highwall mining methods will be utilized at the Number 1 Clark Mine. These methods are conducted in a four step process. The initial step is to remove and stockpile topsoil. Topsoil in the mining area is only approximately two to four inches in depth and lies on a three to eight foot layer of solid sandstone overburden. After the topsoil has been segregated and stockpiled (refer to the Surface Facility Map (Figure 2) for storage locations), the sandstone overburden will be removed and stored. This process may require the use of explosives to expedite the procedure. The overburden is removed using a track-hoe and/or loader and hauled to the subsoil storage area. The subsoil pile is located on the southwest end of the disturbed area as shown on the Surface Facilities Map.

Once the overburden is removed a track-hoe is used to cut the humic shale ore from the face. The ore is loaded into haul trucks and hauled off-site directly to a processing facility. No humic shale ore will stockpiled on-site within the disturbed area of the Number 1 Clark Mine.

NUMBER 1 CLARK MINE

Presently, a 1.2 acre mine pad and 0.7 acre access road is planned for the site. If reserves prove sufficient, mining operation may extend farther to the south. The Division will be notified prior to mining beyond the currently proposed area.

It is expected that approximately 250 cubic yards of topsoil will be salvaged from the proposed disturbed area. Subsoil may be minimal because of the over-riding sandstone overburden. Using an average of 4 foot thickness, it is estimated that approximately 6,000 cubic yards of sandstone and subsoil will be removed and salvaged. This material will be stored on the north end of the facility pad.

Compliance with R647 Rules

In compliance with the R647-3- 07 regulations for operation practices, the Number 1 Clark Mine will protect public safety and welfare by placing signs around the perimeter of the work area as well as any access roads to the area. The signs will indicate "Active Mine Perimeter, Danger Keep Out".

A berm or fence will be installed above all highwalls to detour traffic from entering area. If berms are constructed, the base will be two times the height. And, the height will be at least axle height to an average pick-up truck (approximately 18 inches).

If drainage ways are impacted by mining operations, the up gradient flow path of water will be rerouted to by-pass the work area. All undisturbed overland flows shall be by-passed around the work area utilizing berms, ditches, pipes, or a combination thereof.

Best management practices (BMP's) shall be used to control erosion and sedimentation of the disturbed runoff prior to draining into an adjacent natural drainage systems. Erosion and sediment control shall be implemented to the extent practical utilizing BMP's such as; sediment traps, silt fences, straw logs, mulches, etc.

Trash and other extraneous materials shall be disposed of properly. Extraneous materials may be temporarily stored on-site in a manner that it is protected from wind gusts so that wind events do not scatter debris throughout or off the work site. These materials shall be removed from the work site and dispose of in a state approved landfill.

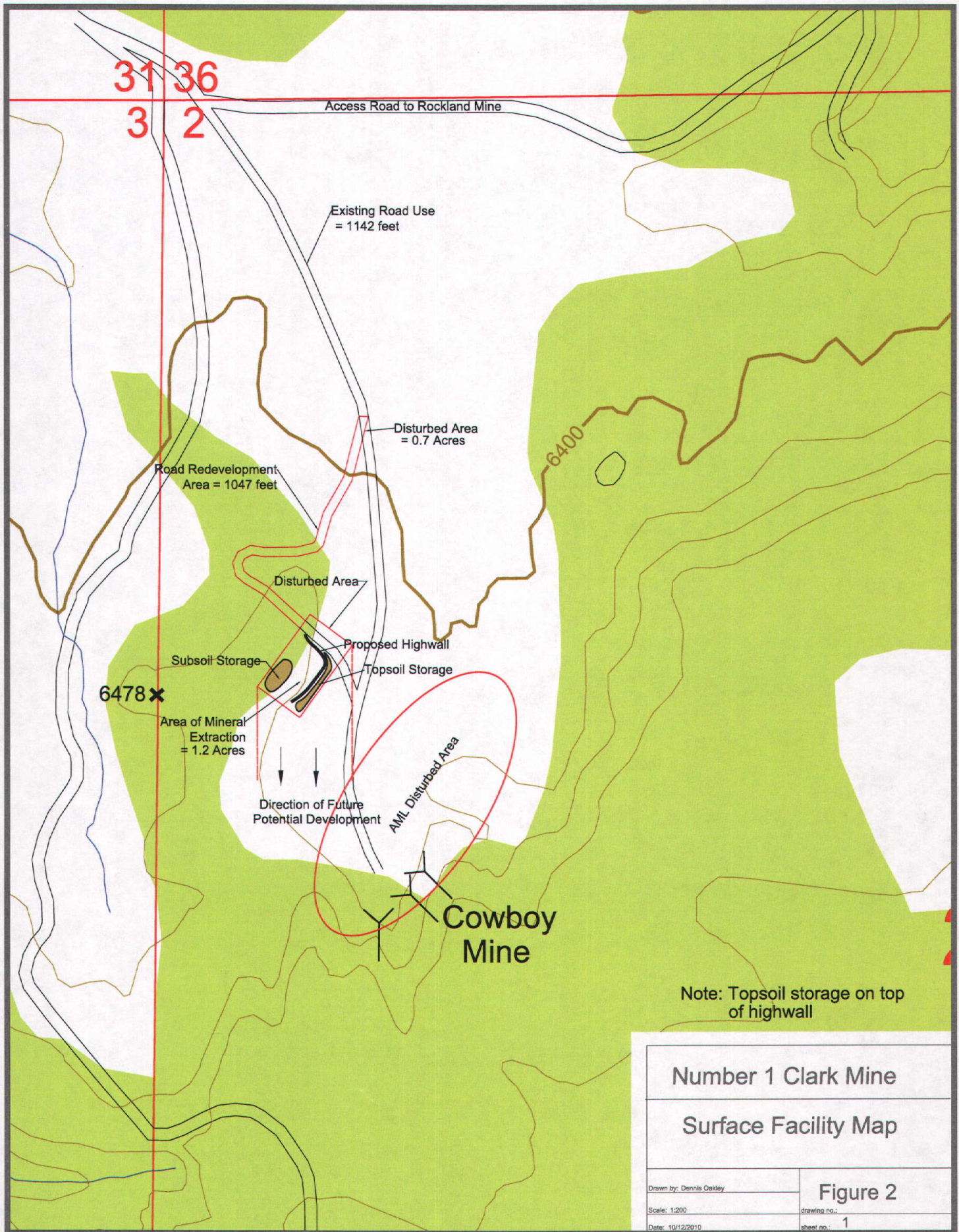
Reference:

Gloyn, R.W. et al, Energy, Mineral, and Ground-Water Resources of Carbon and Emery Counties, Utah, Utah Geological Survey, Bulletin 132, 2003, pg. 111, referencing Siemers, C.T., and Waddell, J.S. 1977, Humate deposits of the Menefee Formation (Upper Cretaceous, northwestern New Mexico, *in* Fasset, J.E., editor, San Juan Basin III, Supplement to Guidebook: Albuquerque, New Mexico Geological Society Guidebook, 28th Field Conference, p. 1-21.

Utah Geological Survey, Bulletin 132, Gloyn, R.W. et al, Energy, Mineral, and Ground-Water Resources of Carbon and Emery Counties, Utah, 2003, p. 111-112.

Doelling, H.H., Central Utah Coal Fields: Sevier-Sanpete, Wasatch Plateau, Bookcliffs and Emery, Monograph Series No. 3, 1972, Utah Geological and Mineralogical Survey, p. 424.

National Cooperative Soil Survey, Soil Survey of Carbon Area, Utah, United States Department of Agriculture, Soil Conservation Service, Issued June, 1988.



Number 1 Clark Mine

Surface Facility Map

Drawn by: Dennis Oakley

Scale: 1:200

Date: 10/12/2010

Figure 2

drawing no.

sheet no. 1